

2018 Secure element shipments: Eurosmart confirms its forecasts and a continued strength for worldwide secure element market

Eurosmart, the voice of the Digital Security Industry, issued its 2018 figures for Secure Element worldwide shipments and the 2019 forecasts. The overall growth was 2,8% for a total exceeding 10,2 billion unit.

Financial Services

In 2018, the demand was very strong especially towards the end of the year with a total volume reaching 3,2 billion units. The overall market was driven by the expected renewal of EMV products, and regionally by mandates for chip-based payment cards.

In 2019 the overall growth is estimated to reach +2,8% which represents 90 million new cards placed on the market.

The demand for contactless cards is the main driver in this sector: 2018 was the first year where contactless cards surpassed the volume of contact cards – with a total share of +51,4%. This segment is also experiencing an 18% year on year growth. The contactless segment is expected to reiterate a double-digit growth in 2019 thanks to additional countrywide mandates.

Telecom

The telecom market closed 2018 with 5.6 billion units shipped, and a stable trend is expected for 2019, supported by a changing technology mix.

A continuing growth for the M2M market is foreseen, driven by a push for connectivity in the automotive sector and other industrial segments. On the consumer side, the trend will be sustained by an accelerated adoption of embedded SIM technology following the launch of flagship products by leading OEM manufacturers. This adoption opens new opportunities for additional services.

Despite the maturity of the classical SIM market, the segment has seen a significant migration to 4G/LTE thus ensuring the smooth transition to the upcoming 5G network technology.

Device Manufacturers

The embedded secure element (eSE) market has shown a 10% growth, reaching 440 million units shipped in 2018 thanks to an increased demand for wearables and new generation smartphones.

This positive trend will continue and is expected to reach 475 million eSE in 2019. Figures confirm that mobile payment is gaining in popularity and Smartphone OEM mobile wallet programs are expanding across the globe. The wearables are also seen as a convenient form factor for payment.

Government

The sector pursues a steady 3,1% growth in 2018 driven by new identity projects around the globe and product renewals. It is also noteworthy that in the current year, emerging regions such as Africa, Middle-East and Asia are stimulating the demand as well.

The contactless interface has become the leading choice for governments reaching 60% share of total shipments in 2018; and the trend is expected to continue in 2019. Europe is about to adopt a uniform format for European Citizen's ID cards and resident cards including contactless interface, this new format is expected to stimulate the demand in the coming years.

About us

Eurosmart, the Voice of the Digital Security Industry, is an **international non-profit association located in Brussels**, representing the **Digital Security Industry** for multisector applications. **Founded in 1995**, the association is committed to expanding the world's Digital secure devices market, developing smart security standards and continuously improving the quality of security applications.

Our members

Members are manufacturers of secure element, semiconductors, smart cards, secure software, High Security Hardware and terminals, biometric technology providers, system integrators, application developers and issuers.¹

EUROSMART members are companies (**BCA, Fingerprint Cards, Thales, G+D Mobile Security, GS TAG, IDEMIA, IN GROUPE, Infineon Technologies, Inside Secure, Internet of Trust, Linxens, Nedcard, NXP Semiconductors, +ID, Prove & Run, Qualcomm, Real Casa de la Moneda, Samsung, Sanoia, Sarapis, SGS, STMicroelectronics, Tiempo Secure, Toshiba, Trusted Objects, Trust CB, WISEkey, Winbond**), laboratories (**Keolabs, Serma, Brightsight, Red Alert Labs, Cabinet Louis Renaud**), research organisations (**Fraunhofer AISEC, Institut Mines-Telecom - IMT, ISEN - Institut Supérieur de l'Électronique et du Numérique Toulon**), associations (**SCS Innovation cluster, Smart Payment Association, SPAC, Mobismart, Danish Biometrics**).

EUROSMART and its members are also active in many other security initiatives and umbrella organisations on EU-level, like CEN, ECIL, ETSI, ECSO, ESIA, ETSI, GP, ISO, SIA, TCG and others.

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